Advisory Opinion

IECDB AO 2004-19

December 2, 2004

TO ALL INTERESTED PERSONS:

Pursuant to Iowa Code section 68B.32A(11) and rule 351—1.2, the Iowa Ethics and Campaign Disclosure Board issues this opinion on when volunteer time is a campaign contribution. We note at the outset that the Board's jurisdiction is limited to the application of Iowa Code chapters 68A and 68B and rules in Iowa Administrative Code chapter 351.

OPINION:

The question has been raised concerning when volunteer time is a contribution and must be disclosed on a campaign report. Iowa Code section 68A.102(10)"b" in pertinent part defines "contribution" to mean:

"The payment, by any person other than a candidate or political committee, of compensation for the personal services of another person which are rendered to a candidate or political committee for any such purpose. 'Contribution' shall not include services provided without compensation by individuals volunteering their time on behalf of a candidate's committee or political committee or a state or county statutory political committee except when organized or provided on a collective basis by a business, trade association, labor union, or any other organized group or association."

Therefore, time spent by a person who is not paid or is not having his or her time organized or provided on a collective basis by an organization is not a "contribution" and is not reportable. If the person is being paid or if his or her time is being organized or provided by an organization, then the time is a reportable contribution. A campaign committee that is paying a person for his or her time would report these payments as "expenditures" on the committee's campaign reports.

In order to help clarify this language, we will apply it to a campaign situation as follows:

A candidate asks a number of individuals to volunteer their time to place literature on constituent doors in the district. These individuals are not being paid and they are not being directed or organized by their employer or some other organization to participate in this activity. Their volunteer time would not be a reportable campaign contribution by the candidate.

A business asks a number of its employees to place literature on constituent doors in the district and sets the date and time that this activity will take place. This would be services "organized or provided on a collective basis" by an organization and the employees' volunteer time would be a reportable campaign contribution.

The issue then becomes what dollar amount should be reported as being received as a contribution. If the person was compensated for his or her time, the reportable amount would be the actual compensation paid. If the organized activity took place during normal working hours the contribution amount would be the amount of compensation the persons would normally receive. If the organized activity took place outside of normal hours, the organization and candidate would determine the fair market value of the time and disclose that amount.

BY DIRECTION AND VOTE OF THE BOARD

James Albert, Board Chair Janet Carl, Vice Chair Gerald Sullivan Betsy Roe John Walsh Patricia Harper

Submitted by: W. Charles Smithson, Board Legal Counsel